



Texas Workforce Commission

Inland Marine Insurance Proposal 2023 – 2024

Presented on January 27, 2023 by:

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Senior Vice President

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Named Insured / Additional Named Insureds

Named Insured(s)

Texas Workforce Commission

Additional Named Insured(s)

None

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Line of Coverage

Inland Marine Coverage

	Present Coverage	Proposed Coverage
INSURANCE COMPANY:	Hartford Fire Insurance Company	Hartford Fire Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of July 29, 2021	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of August 22, 2022
STANDARD & POOR'S RATING:	A+ (Strong) as of August 5, 2021	A+ (Strong) as of August 15, 2022
TEXAS STATUS:	Admitted	Admitted
POLICY/COVERAGE TERM:	February 10, 2022 to February 10, 2023	February 10, 2023 to February 10, 2024
Coverage Form:	Miscellaneous Property Coverage Form – MS 00 20 12 85	Miscellaneous Property Coverage Form – MS 00 20 12 85
Coverage:	Unscheduled Vending Machine Equipment	Unscheduled Vending Machine Equipment
Total Insured Value:	\$ 6,016,284	\$ 5,452,359
Limit:	\$ 6,016,284 Maximum Limit \$ 1,000,000 Per Occurrence \$ 50,000 Per Item Sub-limit	\$ 5,452,359 Maximum Limit \$ 1,000,000 Per Occurrence \$ 50,000 Per Item Sub-limit
Deductible:	\$ 25,000 Wind/Hail \$ 5,000 All Other Perils	\$ 25,000 Wind/Hail \$ 5,000 All Other Perils
Rate Per \$100 of Value:	\$ 0.168	\$ 0.176
Coverage Territory:	The United States of America, Puerto Rico or Canada	The United States of America, Puerto Rico or Canada

Inland Marine Coverage - Continued

Endorsement & Exclusions: (including but not limited to)

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Texas Flood Insurance Disclosure Notice • Common Policy Conditions • Disclosure Pursuant to Terrorism Risk Insurance Act • U.S. Department of The Treasury, Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders • Trade or Economic Sanctions Endorsement • Texas Changes - Loss Payment • Texas Changes – Cancellation and Nonrenewal • Commercial Inland Marine Conditions • Cap on Losses from Certified Acts of Terrorism • Deductible Endorsement • Commercial Inland Marine Schedule of Property Covered • Texas Changes • Flood, Earthquake and Volcanic Eruption Exclusion • Important Notice • Producer Compensation Notice • Goods and Services Endorsement • Commercial Inland Marine Change Endorsement • Endorsement Summary • Commercial Inland Marine Schedule of Property Covered 	<ul style="list-style-type: none"> • Texas Flood Insurance Disclosure Notice • Common Policy Conditions • Disclosure Pursuant to Terrorism Risk Insurance Act • U.S. Department of The Treasury, Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders • Trade or Economic Sanctions Endorsement • Texas Changes - Loss Payment • Texas Changes – Cancellation and Nonrenewal • Commercial Inland Marine Conditions • Cap on Losses from Certified Acts of Terrorism • Deductible Endorsement • Commercial Inland Marine Schedule of Property Covered • Texas Changes • Flood, Earthquake and Volcanic Eruption Exclusion • Important Notice • Producer Compensation Notice • Goods and Services Endorsement • Commercial Inland Marine Change Endorsement • Endorsement Summary • Commercial Inland Marine Schedule of Property Covered

Inland Marine Coverage - Continued

	Present Coverage	Proposed Coverage
Total Cost Excluding TRIA:	Not Applicable	Not Applicable
Total Cost Including TRIA:	\$ 10,107.00 Policy Premium \$ 101.00 TRIA Premium \$ 10,208.00 Total Cost	\$ 9,596.00 Policy Premium \$ 96.00 TRIA Premium \$ 9,692.00 Total Cost
Minimum Earned Premium:	\$ 500.00	\$ 500.00
Quote Valid Until:	No Longer Applicable	February 10, 2023
Policy Auditable:	Yes	Yes
Binding Conditions:	No Longer Applicable	A written request to bind coverage

See Disclaimer Page for Important Notices and Acknowledgment

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>



Request to Bind Coverage

Texas Workforce Commission

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Inland Marine	<input checked="" type="checkbox"/>

**Did you know that Alliant works with premium financing companies?
Are you interested in financing your annual premium?**

Yes, please provide us with a financing quote.	No, we do not wish to finance our premium.
<input type="checkbox"/>	<input checked="" type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Lowell Keig 2/6/2023
Signature of Authorized Insured Representative **Date**
 Business Operations Director
Title
 Lowell Keig
Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.